



Washington State
Liquor Control Board

Business Advisory Council

Meeting Minutes

July 21, 2010, 9:30 a.m. – Noon
Schooner EXACT Brewing Company
3901 1st Avenue South
Seattle, WA 98134

Business Advisory Council Members in Attendance:

Stakeholders: Theresa Hancock, Contract Liquor Store Managers Mark Levine, Distillers Representatives Association of Washington (DRAW) John Guadnola, Washington Beer and Wine Wholesalers Association Chris Masse, Nooksack Tribe Heather McClung, Washington Brewer's Guild Jan Gee, Washington Food Industry Association Anthony Anton, Washington Restaurant Association Jean Leonard, Washington Wine Commission and Washington Wine Institute Steve Lynn, Small Businesses and Distributors	Liquor Control Board: Sharon Foster, Chair Ruthann Kurose, Board Member Linda Bremer, Board Member Pat Kohler, Administrative Director Rick Garza, Deputy Director
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Also in attendance: Carrie Tellefson, Distillers Representatives Association of Washington (DRAW); Susan Danby, Contract Manager's Advisory Committee (CMAC); Phil Wayt, Washington Wholesalers Association; David Ducharme, DISCUS; Holly Chisa, NW Grocers' Association; Stephanie Meier, Stoel Rives; and from the Liquor Control Board, Alan Rathbun, Pat Parmer, Randy Simmons, Karen McCall, and Roni Pettit.

Sharon Foster, Chair of the Liquor Control Board welcomed the members of the Business Advisory Council (BAC) and introductions were made by each council member.

Heather McClung, Washington Brewer's Guild

Heather McClung reported on the history of the Washington Brewer's Guild. The Guild was started by volunteers who ran their own businesses on the side. The total number of breweries is now 150 and they consist of three types: Regional Craft, Microbrewery, and Brew Pubs.

Rick Garza, Deputy Administrative Director

Rick Garza provided an update on the impacts of privatization. Theresa Hancock, Contract Liquor Store Managers, expressed concern about the increase in the number stores able to sell hard liquor.

Karen McCall, Rules Coordinator

Karen shared the list of completed rules since January 2010 and presented current rulemaking for the 2011 proposed agency request legislation.

RCW 66.24.010 (6) and (7) are being revised to allow conditions and restrictions to be included in official correspondence from the board separate from the license and require any correspondence from the board containing conditions and restrictions be posted next to the license.

RCW66.24.030 (3)

This statute is being revised to authorize the board to set a minimum threshold for restricted beer products that may include alcohol content and cost which make them desirable to chronic public inebriants. This would also add chronic inebriation to the list of criteria under which the board may impose restrictions.

RCW 66.24.410(2)

This statute would revise the section by removing the explicit food requirement language and give the authority to establish food service requirements in rule.

RCW 66.04.010(28)

This statute revises the definition of nightclub by eliminating the occupancy load.

Roundtable

Anthony Anton reported that restaurants have been affected by this economy. Many have gone out of business and layoffs of employees are estimated at approximately 18,000.

Chris Masse reported that the Skokomish Casino is closing due to the economy as well.

Jan Gee commented that the grocers are struggling because families are hurting and restaurants are using their reserves to survive.

Paul Schieck shared that people are still coming to Qwest Field despite the economic downturn. Liquor smuggling (small airplane sizes) is still an issue but the business is going well. They are working on penalties for violations.

Jean Leonard mentioned that they are rewriting the licensing laws with the Liquor Control Board.

Alan Rathbun, Licensing Director

Alan gave an update on the following:

- 112 applications for grocery store tasting endorsements
- 14 endorsements issued
- 2 tasting endorsement applications withdrawn because the stores did not meet the square footage requirements

Pat Parmer, Enforcement Chief

Pat gave an update on the following:

- Non-retail met with distributors and wineries for outreach in communication and education.
- Retail has been doing a lot of education outreach in Bell Town and Spokane.
- Law Enforcement Officers Training – our law enforcement officers are attending the training offered by the Criminal Justice Training Commission.

Sharon Foster shared that we had to fill out an exemption form with the Office of Financial Management in order to meet at a non-state facility even though the cost to the state was free. Therefore, future meetings will be held at the Liquor Control Board offices.

The next BAC meeting is scheduled for November 17, 2010 at the Liquor Control Board Distribution Center in Seattle. The meeting time will be from 9:30 a.m. to 12:30 p.m.

Handouts:

1. Rules Update
2. 2011 Proposed Agency Request Legislation